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RUEHJS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS  
RUEHBJ/AMEMBASSY BEIJING 5202  
RUEHBY/AMEMBASSY CANBERRA 2761  
RUEHLM/AMEMBASSY COLOMBO 1122  
RUEHKA/AMEMBASSY DHAKA 1081  
RUEHMO/AMEMBASSY MOSCOW 0594  
RUEHNE/AMEMBASSY NEW DELHI 2000  
RUEHUL/AMEMBASSY SEOUL 4732  
RUEHKO/AMEMBASSY TOKYO 2217  
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RUEAIIA/CIA WASHDC  
RHEHNSC/NSC WASHDC  
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UNCLAS SECTION 01 OF 04 JAKARTA 001354

SIPDIS  
SENSITIVE

DEPT FOR EAP, PM, EAP/MTS, EAP/MLS, EAP/RSP  
SECDEF FOR USDP/ISA/AP P.IPSSEN  
NSC FOR E.PHU

E.O. 12958: N/A  
TAGS: [PREL](#) [MARR](#) [ID](#)  
SUBJECT: GOI PROPOSES BILATERAL DEFENSE COOPERATION  
AGREEMENT

¶1. (U) This message is Sensitive but Unclassified -- Please handle accordingly.

¶2. (SBU) SUMMARY: The Indonesian Department of Foreign Affairs (DEPLU) has sent Embassy Jakarta the text of a proposed Defense Cooperation Agreement (DCA). Indonesia is in the process of concluding DCAs with its major partners in the region. Indonesian defense officials have raised the idea of reaching an agreement with the USG several times in bilateral defense discussions over the past year, but the Indonesian diplomatic note moves the process further along. This message provides the text of the proposed agreement. Mission will provide an analysis of the Indonesian proposal via septel. END SUMMARY.

¶3. (SBU) The proposed DCA consists of ten articles, the central one containing a description of areas of cooperation. Essentially, the agreement would formalize existing forms of cooperation. In contrast to a memorandum of understanding, the agreement, if adopted, could require ratification by the Indonesian legislature (DPR).

¶4. (SBU) The diplomatic note and draft agreement are reproduced below.

¶5. (SBU) Text of GOI diplomatic note (no. D.541/PO/VII/2008/59):

Begin text:

Department of Foreign Affairs of the Republic of Indonesia presents its compliments to the Embassy of the United States of America and has the honor to convey Indonesian proposed draft on the (begin italics) Agreement between the Government of the Republic of Indonesia and the Government of the United States of America on Cooperative Activities in the Field of Defense (end italics) (as attached).

Department of Foreign Affairs of the Republic of Indonesia avails itself of this opportunity to renew to the Embassy of

the United States of America in Jakarta the assurances of its highest consideration.

03 July 2008

Embassy of the United States of America  
Jakarta

End text.

¶6. (SBU) The text of the GOI-proposed DCA follows:

Begin text:

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF INDONESIA  
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON  
COOPERATIVE ACTIVITIES IN THE FIELD OF DEFENCE

The Government of the Republic of Indonesia and The  
Government of the United States of America, hereinafter  
referred to as the "Parties";

Desiring to enhance or strengthen mutual trust and  
cooperation in defence and military field;

Acknowledging the existing friendly relations between the two  
countries and their peoples;

Recognizing that the strengthening of defence cooperation  
shall be beneficial to both national defences, particularly

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to both Armed Forces;

Pursuant to the prevailing laws and regulations of the two  
countries,

Have agreed as follows:

#### ARTICLE I: GENERAL PRINCIPLE

The Parties shall strengthen and develop friendly  
relationship and cooperation in the defence field on the  
basis of the principles of mutual respect for each other's  
independence, sovereignty and territorial integrity,  
non-interference in each other's internal affairs, equality,  
mutual benefit and peaceful co-existence as enshrined in the  
United Nations Charter and other universally recognized norms  
of international law.

#### ARTICLE II: SCOPE OF COOPERATION

The scope of cooperation of this Agreement shall include:

¶1. Exchange of information on defence establishment and  
matters, including the organization, doctrine and policy.

¶2. Exchange of officers for education and professional  
training, mutual visits and joint research based on the  
principle of reciprocity and mutual consent.

¶3. Exchange of scientific and technological data, experts,  
technicians, trainers, as well as other forms of technical  
cooperation based on the principle of reciprocity and mutual  
consent.

¶4. Promotion of the cooperation between the defence  
technology and industry institutions of the countries for the  
mutual benefit and interest of the Parties, including the  
exchange of technology, technical assistance, training,  
provision of defence equipment and joint production.

¶5. Cooperation in the field of defence exercises, including  
joint military training exercises between the armed forces of  
the two countries.

¶6. Regular bilateral dialogue and consultation on security issues of common concern.

#### ARTICLE III: IMPLEMENTING ARRANGEMENTS

The Department of Defence of both countries may conclude particular implementing arrangements pertaining to specific aspects of cooperation within the framework of this Agreement.

#### ARTICLE IV: JOINT COMMITTEE

¶1. In order to monitor, manage and implement the Agreement, the parties agree to establish the Indonesia-USA Security Dialogue as the Joint Committee for cooperation activities in the field of defence and the USIBDD in the field of Mil to Mil.

¶2. The Joint Committee shall compose of representatives from each Party. The number of representatives from each Party shall be mutually agreed by the Parties.

¶3. The Joint Committee shall be Co-Chaired by the appropriate senior officials from the Department of Defence of the both states.

¶4. The Tasks of the Joint Committee are as follows:

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- a. To recommend and initiate the cooperative activities;
- b. To organize and implement the approved activities;
- c. To coordinate, monitor and control the approved activities;
- d. To resolve problems arising out of the implementation of the cooperative activities;
- e. To submit a joint report of the meeting to their respective Defence Ministers.

¶5. The Joint Committee may establish sub-committees to effectively address specific projects of mutual interest.

¶6. The Joint Committee shall also in principle hold a USA-Indonesia Defence and Security Dialogue at least once a year, alternately in each country.

¶7. The date, venue and agenda of such Dialogue shall be agreed upon by the Co-Chairpersons.

#### ARTICLE V: INTELLECTUAL PROPERTY RIGHTS

In accordance with the legislation of their states, the Parties shall provide efficient protection and distribution of intellectual property rights, including its ownership and legal use, which are being transferred or created in accordance with this Memorandum of Understanding. The issues of protection and distribution of intellectual property rights including protection of a third party's legitimate rights, taking into full consideration the equitable portion of ownership based on the contribution of the respective participants, shall be regulated by the Arrangements concluded by organizations of the Parties on specific areas of cooperation.

#### ARTICLE VI: CONFIDENTIALITY

¶1. The Parties shall protect the classified information to which they may have access within the framework of this Agreement in accordance with both national laws and regulations.

¶2. The classified information and equipment shall only be provided through official channels agreed upon by Co-Chairs of the Joint Committee. These information and equipment are to be labelled with the indication of their classification level and Country of Origin as follows:

SANGAT RAHASIA	TOP SE CRET
RAHASIA	SEC RET
TERBATAS/KONFIDENSIAL	CONFIDENTIAL
BIASA	UNCLASSIFIED

13. All information and equipment received in the framework of this Agreement shall not be transferred, disclosed or released, either directly or indirectly, on temporary or permanent basis, to third parties, whether persons and entities, without the prior written consent of the originating Party.

#### ARTICLE VII: FUNDING

1. This Agreement shall be implemented in accordance with the budgetary allocation of each Party.

2. The budgetary allocation of each Party shall be defined in the implementing arrangement.

#### ARTICLE VIII: SETTLEMENT OF DISPUTES

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1. Any matter arising from this Agreement with respect to its interpretation or implementation shall, in the first instance, be submitted to the Joint Committee for amicable settlement.

2. In the event that the matter is not settled under paragraph 1, both Co-Chairs of the Joint Committee shall bring the matter to their respective Ministers of Defence for amicable settlement.

3. In the event that the matter is not settled under paragraph 2, it shall be settled by the Parties through diplomatic channel.

#### ARTICLE IX: AMENDMENTS

1. This agreement may be amended or revised at any time in writing by mutual consent of the Parties.

2. Such amendment shall enter into force on the date as may be mutually agreed upon by the Parties and shall form part of this Agreement.

3. Any amendment shall not affect the right and obligations arising or based on this Agreement or any arrangement entered into under this Agreement before or up to the date such amendment enters into force.

#### ARTICLE: X ENTRY INTO FORCE, VALIDITY AND TERMINATION

1. This Agreement shall enter into force on the date of last notification on which the Parties have informed each other, through diplomatic channels, of compliance with the legal requirements necessary for the entry into force of this Memorandum of Understanding.

2. This Agreement shall remain in force for a period of five (5) years and upon the expiry thereof may be renewed for another five (5) years unless it is renounced by either Party by signing written notice to the other at least ninety (90) days prior to its intention to terminate this Agreement.

3. The termination of this Agreement shall not affect the validity and duration of any activities concluded within the framework of this Agreement.

In Witness Whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done in ..... on ..... in two originals, in Indonesian and English languages, all text are being equally

authentic. In case of divergence of interpretation, the  
English text shall prevail.

FOR THE GOVERNMENT OF  
THE REPUBLIC OF INDONESIA  
.....

FOR THE GOVERNMENT OF  
THE UNITED STATES OF AMERICA  
.....

End text.

HUME